#### 103D CONGRESS 1ST SESSION

# H. R. 2172

To amend the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to establish categorical spending targets and sequestration against those targets to balance the Federal budget by fiscal year 2000, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

May 19, 1993

Mr. McMillan (for himself, Mr. Kasich, Mr. Hobson, Mr. Kolbe, Mr. Shays, and Mr. Smith of Michigan) introduced the following bill; which was referred jointly to the Committees on Government Operations and Rules

## A BILL

To amend the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to establish categorical spending targets and sequestration against those targets to balance the Federal budget by fiscal year 2000, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the "Health Care Reform
- 5 Budget Enforcement Act of 1993".

#### SEC. 2. EFFECTIVE DATES.

- 2 This Act and the amendments made by it shall take
- 3 effect on its date of enactment and shall apply to fiscal
- 4 year 1994 and subsequent fiscal years.

### 5 TITLE I—REQUIREMENT THAT

- 6 PRESIDENT SUBMIT AND
- 7 BUDGET COMMITTEES RE-
- 8 PORT BUDGETS THAT
- 9 ACHIEVE A BALANCED BUDG-
- 10 ET BY FISCAL YEAR 2000
- 11 SEC. 101. SUBMISSION OF BALANCED BUDGET BY THE
- 12 **PRESIDENT.**
- 13 Section 1105 of title 31, United States code, is
- 14 amended by inserting at the end the following new sub-
- 15 section:
- 16 "(g) Any budget submitted to Congress pursuant to
- 17 subsection (a) for fiscal year 1994, 1995, 1996, 1997,
- 18 1998, 1999, or 2000 shall be a budget for that fiscal year
- 19 and the 4 ensuing fiscal years that provides for a balanced
- 20 budget for fiscal year 2000 and subsequent fiscal years
- 21 and for each such year is within the categorical targets
- 22 set forth in paragraphs (1) and (2) of section 601. Any
- 23 budget submitted to Congress pursuant to subsection (a)
- 24 for a fiscal year after fiscal year 2000 shall be a budget
- 25 that provides for a balanced budget for that fiscal year
- 26 and the 4 ensuing fiscal years and sets forth appropriate

- 1 categorical targets for discretionary appropriations and di-
- 2 rect spending.".
- 3 SEC. 102. REPORTING OF BALANCED BUDGETS.
- 4 Section 301 of the Congressional Budget Act of 1974
- 5 is amended by inserting at the end the following new sub-
- 6 section:
- 7 "(j) Reporting of Balanced Budgets.—Any
- 8 joint resolution on the budget for fiscal year 1994, 1995,
- 9 1996, 1997, 1998, 1999, or 2000 as reported by the Com-
- 10 mittee on the Budget of each House, shall set forth appro-
- 11 priate levels for the fiscal year beginning on October 1
- 12 of the calendar year in which it is reported and for each
- 13 of the 4 ensuing fiscal years for the matters described in
- 14 section 301(a) and for each categorical target set forth
- 15 in paragraphs (1) and (2) of section 601 that provides
- 16 for a balanced budget by fiscal year 2000 and for each
- 17 fiscal year thereafter. Any joint resolution on the budget
- 18 for a fiscal year after fiscal year 2000, as reported by the
- 19 Committee on the Budget of each House, shall set forth
- 20 appropriate levels for the fiscal year beginning on October
- 21 1 of the calendar year in which it is reported and for each
- 22 of the 4 ensuing fiscal years for the matters described in
- 23 section 301(a) and set forth appropriate categorical tar-
- 24 gets for discretionary appropriations and direct spending

1	that provides for a balanced budget for that fiscal year
2	and each of the ensuing 4 fiscal years.".
3	SEC. 103. PROCEDURE IN THE HOUSE OF REPRESENTA-
4	TIVES.
5	Section 305(a) of the Congressional Budget Act of
6	1974 is amended by inserting at the end the following:
7	(8)(A) If the Committee on Rules of the
8	House of Representatives reports any rule or order
9	providing for the consideration of any joint resolu-
10	tion on the budget for a fiscal year, then it shall
11	also, within the same rule or order, provide for—
12	"(i) the consideration of the text of any
13	joint resolution on the budget for that fiscal
14	year reported by the Committee on the Budget
15	of the House of Representatives pursuant to
16	section 301(j); and
17	"(ii) the consideration of the text of each
18	joint resolution on the budget as introduced by
19	the majority leader pursuant to subparagraph
20	(B);
21	and such rule or order shall assure that a separate
22	vote occurs on each such budget.
23	"(B) The majority leader of the House of Rep-
24	resentatives shall introduce a joint resolution on the
25	budget reflecting, without substantive revision, the

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1	budget submitted by the President pursuant to sec-
2	tion 1105(g) of title 31, United States Code, as soon
3	as practicable after its submission.".
4	SEC. 104. PROCEDURE IN THE SENATE.
5	Section 305(b) of the Congressional Budget Act of
6	1974 is amended by inserting at the end the following:
7	"(7) Notwithstanding any other rule, it shall al-
8	ways be in order in the Senate to consider an
9	amendment to a joint resolution on the budget for
10	a fiscal year comprising the text of any budget sub-
11	mitted by the President for that fiscal year as de-
12	scribed in section 1105(g) of title 31, United States
13	Code.".
14	TITLE II—JOINT BUDGET
	DECOLUTIONS
15	RESOLUTIONS.
	SEC. 201. AMENDMENTS TO THE BUDGET ACT TO CHANGE
16	
16 17	SEC. 201. AMENDMENTS TO THE BUDGET ACT TO CHANGE
16 17 18	SEC. 201. AMENDMENTS TO THE BUDGET ACT TO CHANGE CONCURRENT BUDGET RESOLUTIONS INTO
16 17 18 19	SEC. 201. AMENDMENTS TO THE BUDGET ACT TO CHANGE CONCURRENT BUDGET RESOLUTIONS INTO JOINT BUDGET RESOLUTIONS.
16 17 18 19 20	SEC. 201. AMENDMENTS TO THE BUDGET ACT TO CHANGE CONCURRENT BUDGET RESOLUTIONS INTO JOINT BUDGET RESOLUTIONS.  (a) Table of Contents.—The table of contents set
16 17 18 19 20 21	SEC. 201. AMENDMENTS TO THE BUDGET ACT TO CHANGE CONCURRENT BUDGET RESOLUTIONS INTO JOINT BUDGET RESOLUTIONS.  (a) Table of Contents.—The table of contents set forth in section 1(b) of the Congressional Budget and Im-
16 17 18 19 20 21 22	CONCURRENT BUDGET RESOLUTIONS INTO JOINT BUDGET RESOLUTIONS.  (a) Table of Contents.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking
<ul><li>21</li><li>22</li><li>23</li></ul>	CONCURRENT BUDGET RESOLUTIONS INTO  JOINT BUDGET RESOLUTIONS.  (a) Table of Contents.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "concurrent" each place it occurs therein and by inserting

- 1 (1) Paragraph (4) of section 3 of the Congres-
- 2 sional Budget and Impoundment Control Act of
- 3 1974 is amended by striking "concurrent" each
- 4 place it occurs and inserting "joint".
- 5 (2) Paragraph (8) of section 3 of the Congres-
- 6 sional Budget and Impoundment Control Act of
- 7 1974 is amended by striking "by the Congress".
- 8 (c) TITLE III OF THE BUDGET ACT.—Title III of
- 9 the Congressional Budget Act of 1974 is amended by
- 10 striking "concurrent" each place it occurs therein and by
- 11 inserting "joint" and by striking "Concurrent" and by in-
- 12 serting "Joint" in the heading of section 303.
- 13 (d) TITLE IV OF THE BUDGET ACT.—Section
- 14 401(b)(2) of the Congressional Budget Act of 1974 is
- 15 amended by striking "concurrent" and by inserting
- 16 "joint".
- 17 (e) TITLE IX OF THE BUDGET ACT.—Section 904(d)
- 18 of the Congressional Budget Act of 1974 is amended by
- 19 striking "concurrent" and by inserting "joint".
- 20 SEC. 202. TECHNICAL AND CONFORMING AMENDMENTS TO
- THE RULES OF THE HOUSE OF REPRESENTA-
- TIVES.
- 23 (a) Rule X.—Clauses 1(e)(2), 4(a)(2), 4(b)(2), 4(g),
- 24 4(h), and 4(i) of rule X of the Rules of the House of Rep-

- 1 resentatives are amended by striking "concurrent" each
- 2 place it appears therein and by inserting "joint".
- 3 (b) RULE XXIII.—Clause 8 of rule XXIII of the
- 4 Rules of the House of Representatives is amended by
- 5 striking "concurrent" each place it appears therein and
- 6 by inserting "joint".
- 7 (c) RULE XLIX.—Rule XLIX of the Rules of the
- 8 House of Representatives is repealed.
- 9 SEC. 203. TECHNICAL AND CONFORMING AMENDMENTS TO
- 10 THE DEFICIT CONTROL ACT OF 1985.
- 11 (a) Section 254.—Section 254(b)(2)(A) of the Defi-
- 12 cit Control Act of 1985 is amended by striking "concur-
- 13 rent" and by inserting "joint".
- 14 (b) Section 257.—Section 257(3) of the Deficit
- 15 Control Act of 1985 is amended by striking "concurrent"
- 16 and by inserting "joint".
- 17 SEC. 204. ESTABLISHMENT OF NEW POINT OF ORDER.
- Section 301 of the Congressional Budget Act of 1974
- 19 (as amended by section 102) is amended by adding at the
- 20 end the following new subsection:
- (k)(1) It shall not be in order in the House of Rep-
- 22 resentatives or the Senate to consider any appropriation
- 23 or authorizing legislation for a fiscal year covered by a
- 24 joint resolution on the budget before that joint resolution
- 25 is enacted.

- 1 "(2) The point or order set forth in paragraph (1)
- 2 may only be waived by an affirmative vote of not less than
- 3 two-thirds of those voting, a quorum being present.".

### 4 TITLE III—CATEGORICAL SE-

### 5 **QUESTRATION AND PAY-AS-**

### 6 **YOU-GO.**

- 7 SEC. 301. REVISED MAXIMUM DEFICIT AMOUNTS AND DIS-
- 8 **CRETIONARY SPENDING TARGETS.**
- 9 (a) Direct Spending Target.—Section 601(a)(1)
- $10\,$  of the Congressional Budget Act of 1974 is amended to
- 11 read as follows:
- 12 "(1) Direct spending target.—The term
- 'direct spending target' means—

#### "ENTITLEMENT TARGETS

(in billions of dollars)

	1994	1995	1996	1997	1998	1999	2000
[NON-MEANS-							
TESTED]	154	104	170	170	100	107	100
Medicare	154	164	170	176	182	187	193
Federal civilian retirement	37	39	42	44	46	48	50
Military retirement	27	28	29	31	32	33	35
Other retirement/disability	5	5	5	5	5	5	5
Unemployment compensation	26	25	25	25	25	25	25
Veterans' benefits	18	17	16	18	18	18	18
Farm price supports	10	9	8	9	9	9	9
Social services	6	5	5	5	5	5	5
Credit reform liquidating ac-							
count	2	-2	-8	-6	-7	-1	-1
Other	17	16	14	16	17	17	17
[MEANS-TESTED]							
Medicaid	85	90	95	100	105	110	115
Food stamps	24	24	24	25	26	26	27
SSI	24	24	24	28	30	30	30
Family support	18	18	19	19	20	20	20
Veterans' pensions	3	3	2	2	3	3	3
Child nutrition	7	7	8	8	9	9	9
EITC	10	13	13	14	14	14	14
Stafford loans	3	3	3	3	3	3	3

#### "ENTITLEMENT TARGETS—Continued

(in billions of dollars)

	1994	1995	1996	1997	1998	1999	2000
Other	3	3	4	4	4	4	4
Total mandatory (excluding social security)	479	491	498	526	546	565	581''.

- 1 (b) DISCRETIONARY SPENDING TARGET.—Section
- 2 601(a)(2) of the Congressional Budget Act of 1974 is
- 3 amended to read as follows:
- 4 "(2) DISCRETIONARY SPENDING TARGET.—The
- 5 term 'discretionary spending target' means—

"Fiscal Year	Domestic targets (in billions of dollars)	National security targets (in billions of dollars)
1994	228	293
1995	234	287
1996	234	287
1997	234	287
1998	234	287
1999	234	287
2000	234	287".

- 6 (c) Adjustments to Discretionary Spending
- 7 TARGETS.—Section 251(b) of the Balanced Budget and
- 8 Emergency Deficit Control Act of 1985 is amended to
- 9 read as follows:
- 10 "(b) Adjustments to Discretionary Spending
- 11 TARGETS.—Whenever appropriate, adjustments to the
- 12 discretionary spending targets (and to those targets as cu-
- 13 mulatively adjusted) for one or more fiscal years shall be
- 14 made to reflect the following:
- 15 "(1) Changes in concepts.—For any fiscal
- year, the adjustments produced by any change in

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budget accounting concepts (including scorekeeping conventions, budget classifications, and definitions) shall equal the current-year levels of new budget authority using up-to-date concepts minus those levels using the concepts in effect before the change. Such changes in concepts may only be made in consultation with the Committees on Appropriations and the Budget of the House of Representatives and Senate, CBO, and OMB. A change in budget classifications includes any change from the assumption that all amounts provided in appropriation Acts are classified as discretionary except those included under the heading 'Mandatory Appropriations' in the joint explanatory statement of managers accompanying the conference report on the Budget Reform Act of 1993.

- "(2) CHANGES IN INFLATION.—(A) For the budget year and each outyear through 2000, the adjustments produced by changes in inflation shall equal the discretionary spending target for each such year multiplied by the inflation adjustment factor (for the fiscal year immediately preceding the current year) computed under subparagraph (B).
- "(B) The inflation adjustment factor shall be calculated by subtracting 1 from the ratio of (i) the

- level of year-over-year inflation measured for the fiscal year immediately preceding the current year, and (ii) the applicable estimated level for that year set forth below:
- 5 For 1992, 1.030.
- 6 For 1993, 1.031.
- 7 For 1994, 1.027.
- 8 For 1995, 1.027.
- 9 For 1996, 1.027.

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- Inflation shall be measured by the average of the estimated consumer price index for all urban consumers for a fiscal year divided by the average index for the prior fiscal year.
  - "(3) Expiring housing contracts.—For each budget year through 2000, the adjustment shall be the amount of new budget authority needed to renew expiring multiyear subsidized housing contracts or provide contracts to replace units lost due to prepayments, with the per-contract renewal/replacement cost equal to the average current-year cost of renewal or replacement contracts.
  - "(4) EMERGENCIES.—If for any fiscal year appropriations for discretionary accounts are enacted that are designated as emergency requirements by statute, the adjustment shall be the amount of those

- appropriations that the President also designates, in
- writing, as emergency requirements within 5 days of
- 3 the enactment of those appropriations. If any
- 4 amount previously designated as an emergency re-
- 5 quirement is rescinded, the adjustment shall be the
- 6 amount of that rescission.".
- 7 (d) REVENUE RAISING RECOMMENDATIONS TO
- 8 COVER SHORTFALL.—Section 251 of the Balanced Budg-
- 9 et and Emergency Deficit Control Act of 1985 is amended
- 10 by adding at the end the following new subsection:
- 11 "(c) Reconciliation Process to Avoid Seques-
- 12 TRATION.—Whenever the Committee on Appropriations of
- 13 the House or Senate believes that a sequestration would
- 14 be necessary under this section to eliminate a budget-year
- 15 breach in any discretionary appropriation category as a
- 16 result of the enactment of any appropriation Act, that
- 17 committee may forward a report to the Committee on
- 18 Ways and Means or the Committee on Finance, as the
- 19 case may be, recommending a revenue increase to cover
- 20 the shortfall. If such a revenue increase measure of suffi-
- 21 cient size to cover the shortfall is enacted into law during
- 22 that session of Congress, then no categorical sequestration
- 23 may occur under this section as a result of that appropria-
- 24 tion Act.".

- 1 (e) REVENUE SHORTFALL POINT OF ORDER.—Sec-
- 2 tion 253 of the Balanced Budget and Emergency Deficit
- 3 Control Act of 1985 is amended to read as follows:
- 4 "SEC. 253. REVENUE SHORTFALL POINT OF ORDER.
- 5 "(a) Point of Order.—It shall not be in order in
- 6 the House of Representatives or the Senate to consider
- 7 any bill or joint resolution, or any conference report there-
- 8 on or amendment thereto, reducing revenues for any fiscal
- 9 year through fiscal year 2000 unless it also contains an
- 10 amendment to section 601(a)(1) or 601(a)(2) of the Con-
- 11 gressional Budget Act of 1974 to reduce any combination
- 12 of entitlement targets or discretionary spending targets in
- 13 order to make that bill, joint resolution, conference report,
- 14 or amendment deficit-neutral for each such fiscal year.
- 15 "(b) Waiver.—The point of order set forth in para-
- 16 graph (1) may only be waived by an affirmative vote of
- 17 not less than two-thirds of those voting, a quorum being
- 18 present.".
- 19 SEC. 302. LIMITATION ON DIRECT SPENDING.
- 20 (a) Limitation on Direct Spending.—Section
- 21 252 of the Balanced Budget and Emergency Deficit Con-
- 22 trol Act of 1985 is amended to read as follows:
- 23 "SEC. 252. LIMITATION ON DIRECT SPENDING.
- 24 "(a) PERMANENT SEQUESTRATION OF DIRECT
- 25 Spending.—

"(1) APPLICATION.—Obligations in sequestered direct spending accounts shall be reduced in the fiscal year in which a sequestration occurs and in all succeeding fiscal years. Notwithstanding any other provision of this section, after the first direct spending sequestration, any later sequestration shall reduce direct spending by an amount in addition to, rather than in lieu of, the reduction in direct spending in place under the existing sequestration or sequestrations.

- "(2) SEQUESTRATION.—Within 15 calendar days after Congress adjourns to end a session and on the same day as a sequestration (if any) under section 251, there shall be a sequestration to eliminate a budget-year breach (if any) in any direct spending category within the direct spending target.
- spending category within the direct spending target.

  "(b) ELIMINATING EXCESS DIRECT SPENDING.—

  The amount required to be sequestered in a fiscal year under subsection (a) shall be obtained from direct spending accounts. Each non-exempt direct spending account in a category within the direct spending target shall be reduced by a uniform percentage necessary to make the reduction in direct spending required in that category to

stay within the direct spending target.

- 1 "(c) Reconciliation Process to Avoid Seques-
- 2 TRATION.—Whenever a committee of the House or Senate
- 3 believes that a sequestration would be necessary under this
- 4 section to eliminate a budget-year breach in any direct
- 5 spending category as a result of the enactment of any Act
- 6 under its jurisdiction, that committee may forward a re-
- 7 port to the Committee on Ways and Means or the Commit-
- 8 tee on Finance, as the case may be, recommending a reve-
- 9 nue increase to cover the shortfall. If such a revenue in-
- 10 crease measure of sufficient size to cover the shortfall is
- 11 enacted into law during that session of Congress, then no
- 12 categorical sequestration may occur under this section as
- 13 a result of that Act.".
- 14 SEC. 303. EXEMPT PROGRAMS AND ACTIVITIES.
- 15 (a) Exemptions.—Section 255 of the Balanced
- 16 Budget and Emergency Deficit Control Act of 1985 is
- 17 amended to read as follows:
- 18 "SEC. 255. EXEMPT PROGRAMS AND ACTIVITIES.
- 19 "(a) Social Security Benefits.—Benefits payable
- 20 under the old-age, survivors, and disability insurance pro-
- 21 gram established under title II of the Social Security Act
- 22 shall be exempt from reduction from any order issued
- 23 under this part.

1	"(b) NET INTEREST.—No reduction of payments for
2	net interest (all of major functional category 900) shall
3	be made under any order issued under this part.".
4	(b) Repealer.—(1) Section 256 of the Balanced
5	Budget and Emergency Deficit Control Act of 1985 (relat-
6	ing to exceptions, limitations, and special rules) is re-
7	pealed.
8	(2) The item relating to section 255 in the table of
9	contents set forth in section 250(a) of the Balanced Budg-
10	et and Emergency Deficit Control Act of 1985 is repealed.
11	SEC. 304. TECHNICAL AND CONFORMING AMENDMENTS TO
12	THE BALANCED BUDGET AND EMERGENCY
12	THE DALANCED DUDGET AND EMERGENCE
13	DEFICIT CONTROL ACT OF 1985.
13 14	DEFICIT CONTROL ACT OF 1985.
13 14	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4)  of the Balanced Budget and Emergency Deficit Control
13 14 15	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control
13 14 15 16	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:
13 14 15 16 17	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:  "(4) The term 'category' means for fiscal years
13 14 15 16 17 18	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:  "(4) The term 'category' means for fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000—
13 14 15 16 17 18 19	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:  "(4) The term 'category' means for fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000—  "(A) when referring to discretionary ap-
13 14 15 16 17 18 19 20	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:  "(4) The term 'category' means for fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000—  "(A) when referring to discretionary appropriations, either of the following subsets: na-
13 14 15 16 17 18 19 20 21	DEFICIT CONTROL ACT OF 1985.  (a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:  "(4) The term 'category' means for fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000—  "(A) when referring to discretionary appropriations, either of the following subsets: national security (defense and international) or

- 1 601(a)(2) of the Congressional Budget Act of 2 1974.
- 3 Discretionary appropriations in the domestic cat-
- 4 egory and in the national security (defense and
- 5 international) category and accounts in the 19 direct
- 6 spending categories referred to in the preceding sen-
- 7 tence shall be those so designated in the joint state-
- 8 ment of managers accompanying this Act. New ac-
- 9 counts or activities shall be categorized in consulta-
- tion with the Committees on Appropriations and the
- Budget of the House of Representatives and the
- 12 Senate.".
- 13 (b) Definition of Budgetary Resources.—Sec-
- 14 tion 250(c)(6)(B) of the Balanced Budget and Emergency
- 15 Deficit Control Act of 1985 is amended by striking "or
- 16 1995" and inserting "1995, 1996, 1997, 1998, 1999, or
- 17 2000".
- 18 (c) Enforcing Discretionary Spending Tar-
- 19 GETS.—Section 251 of the Balanced Budget and Emer-
- 20 gency Deficit Control Act of 1985 is amended—
- 21 (1) in subsection (a), by striking "and section
- 22 253" and by striking "1995" in its side heading and
- 23 inserting "2000";

(2) in subsection (b)(1), by striking "or 1995" 1 2 both places it appears and inserting "1995, 1996, 3 1997, 1998, 1999, or 2000''; (3) in subsection (b)(2), by striking "or 1995" 4 5 the first place it appears and inserting "1995, 1996, 1997, 1998, 1999, or 2000" and by striking 6 "through 1995" and inserting "through 2000"; and 7 (4) in subsection (b)(2)(D), by striking "or 8 1995" and inserting "1995, 1996, 1997, 1998, 9 10 1999, or 2000". 11 (d) Reports and Orders.—Section 254 of the Bal-12 anced Budget and Emergency Deficit Control Act of 1985 is amended— 13 (1) by striking subsection (c); 14 15 (2)(A) in subsection (d)(1), by striking ", payas-you-go, and deficit" and inserting "and direct 16 17 spending" and by striking "1995" and inserting 18 "2000": 19 (B) in subsection (d), by amending paragraph 20 (3) to read as follows: 21 "(3) Direct spending sequestration re-22 PORTS.—The preview reports shall set forth estimates, for the current year and each subsequent 23 24 year through 2000, of the applicable direct spending 25 targets for each category."; and

1	(C) by striking paragraph (4) of subsection (d);
2	and
3	(3)(A) in subsection $(g)(2)(A)$ , by striking
4	"1995" and inserting "2000"; and
5	(B) by amending paragraph (3) of subsection
6	(g) to read as follows:
7	"(3) Direct spending sequestration re-
8	PORTS.—The final reports shall set forth estimates
9	for each of the following:
10	"(A) For the current year and each subse-
11	quent year through 2000 the applicable direct
12	spending targets for each category.
13	"(B) For the current year and the budget
14	year the estimated new budget authority and
15	outlays for each category and the breach, if
16	any, in each category.
17	"(C) For each category for which a seques-
18	tration is required, the sequestration percent-
19	ages necessary to achieve the required reduc-
20	tion.
21	"(D) For the budget year, for each ac-
22	count to be sequestered, estimates of the base-
23	line level of sequesterable budgetary resources
24	and resulting outlays and the amount of budg-

- etary resources to be sequestered and resulting outlay reductions.".
- 3 (e) Extension of Expiration Date.—Section
- 4 274(b) of the Balanced Budget and Emergency Deficit
- 5 Control Act of 1985 is amended by striking "1995" and
- 6 inserting "2000".
- 7 (f) Table of Sections.—The table of sections set
- 8 forth in section 250(a) of the Balanced Budget and Emer-
- 9 gency Deficit Control Act of 1985 is amended—
- 10 (1) in the item relating to section 252, by strik-
- ing "Enforcing pay-as-you-go" and inserting "Limi-
- tation on direct spending"; and
- 13 (2) by striking the item relating to section 253.
- 14 SEC. 305. TECHNICAL AND CONFORMING AMENDMENTS TO
- 15 TITLE VI OF THE CONGRESSIONAL BUDGET
- 16 **ACT OF 1974.**
- 17 (a) Point of Order in the Senate.—Section
- 18 601(b)(1) of the Congressional Budget Act of 1974 is
- 19 amended by striking "or 1995" and inserting "1995,
- 20 1996, 1997, 1998, 1999, or 2000".
- 21 (b) Committee Allocations and Enforce-
- 22 MENT.—Section 602 of the Congressional Budget Act of
- 23 1974 is amended by striking "1995" each place it appears
- 24 and inserting "2000".

1	(c) 5-Year Budget Resolutions.—Section 606 of
2	the Congressional Budget Act of 1974 is amended—
3	(1) in subsection (a), by striking "or 1995" and
4	inserting "1995, 1996, 1997, 1998, 1999, or 2000";
5	and
6	(2) in subsection (d), by striking "and 1995"
7	and inserting "1995, 1996, 1997, 1998, 1999, and
8	2000".
9	(d) Effective Date.—Section 607 of the Congres-
10	sional Budget Act of 1974 is amended by striking "1995"
11	and inserting "2000".
12	TITLE IV—THE BUDGET
13	BASELINE
14	SEC. 401. THE PRESIDENT'S BUDGET.
	SEC. 401. THE PRESIDENT'S BUDGET.  Paragraph (5) of section 1105(a) of title 31, United
14 15	
14 15	Paragraph (5) of section 1105(a) of title 31, United
14 15 16	Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:
14 15 16 17	Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:  "(5) except as provided in subsection (b) of this
14 15 16 17 18	Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:  "(5) except as provided in subsection (b) of this section—
14 15 16 17 18	Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:  "(5) except as provided in subsection (b) of this section—  "(A) estimated expenditures and proposed
14 15 16 17 18 19 20	Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:  "(5) except as provided in subsection (b) of this section—  "(A) estimated expenditures and proposed appropriations for each function and
14 15 16 17 18 19 20 21	Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:  "(5) except as provided in subsection (b) of this section—  "(A) estimated expenditures and proposed appropriations for each function and subfunction in the current fiscal year;

function and subfunction in the fiscal year for 1 2 which the budget is submitted; and "(C) a comparison of levels of estimated 3 4 expenditures and proposed appropriations for each function and subfunction in the current fiscal year and the fiscal year for which the 6 7 budget is submitted, along with the proposed increase or decrease of spending in percentage 8 9 terms for each function and subfunction;". 10 SEC. 402. CONGRESSIONAL BUDGET. 11 Section 301(e) of the Congressional Budget Act of 1974 is amended by— 12 (1) inserting after the second sentence the fol-13 14 lowing: "The starting point for any deliberations in 15 the Committee on the Budget of each House on the joint resolution on the budget for the next fiscal year 16 17 shall be the estimated level of outlays for the current 18 year in each function and subfunction. Any increases 19 or decreases in the congressional budget for the next 20 fiscal year shall be from such estimated levels.";

- (2) striking paragraphs (2) and (3) and inserting the following:
- "(2) a comparison of levels for the current fiscal year with proposed spending for the subsequent fiscal years along with the proposed increase or de-

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- crease of spending in percentage terms for each function and subfunction;
- "(3) information, data, and comparisons indicating the manner in which and the basis on which, the committee determined each of the matters set forth in the joint resolution, including information on outlays for the current fiscal year and the decisions reached to set funding for the subsequent fiscal years;";
- 10 (3) inserting "and" after the semicolon in para-11 graph (7);
- 12 (4) striking paragraph (8); and
- 13 (5) redesignating paragraph (9) as paragraph 14 (8).
- 15 SEC. 403. CONGRESSIONAL BUDGET OFFICE REPORT TO

  16 COMMITTEES.
- The first sentence of section 202(f)(1) of the Con-
- 18 gressional Budget Act of 1974 is amended to read as fol-
- 19 lows: "On or before February 15 of each year, the Direc-
- 20 tor shall submit to the Committees on the Budget of the
- 21 House of Representatives and the Senate a report, for the
- 22 fiscal year commencing on October 1 of that year, with
- 23 respect to fiscal policy, including (A) estimated budget
- 24 outlays in all functions and subfunctions for appropriated
- 25 accounts for the current fiscal year and estimated budget

- 1 outlays under current law for all entitlement programs for
- 2 the next fiscal year, (B) alternative levels of total reve-
- 3 nues, total new budget authority, and total outlays (in-
- 4 cluding related surpluses and deficits), and (C) the levels
- 5 of tax expenditures under existing law, taking into account
- 6 projected economic factors and any changes in such levels
- 7 based on proposals in the budget submitted by the Presi-
- 8 dent for such fiscal year.".

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